

AMENDED IN SENATE JUNE 12, 2003
AMENDED IN ASSEMBLY MAY 5, 2003

CALIFORNIA LEGISLATURE—2003–04 REGULAR SESSION

ASSEMBLY BILL

No. 1586

**Introduced by Committee on Public Employees, Retirement and
Social Security (Negrete McLeod (Chair), Levine (Vice Chair),
Chan, Correa, Kehoe, Laird, and Nakanishi)**

February 21, 2003

An act to amend Section 22115 of the Education Code, relating to state teachers' retirement, *and making an appropriation therefor.*

LEGISLATIVE COUNSEL'S DIGEST

AB 1586, as amended, Committee on Public Employees, Retirement and Social Security. State teachers' retirement: benefits.

Existing law defines "creditable compensation" and "full time" for purposes of calculating retirement benefits for members of the Defined Benefit Program of the State Teachers' Retirement Plan. Those definitions were amended as of July 1, 1996, by Chapter 390 of the Statutes of 1995.

Under this bill, creditable compensation of a member employed by a community college prior to that amendment shall be determined pursuant to the former definition of "full time," if application of that former definition would benefit the member.

The bill would appropriate \$140,000 from the Teachers' Retirement Fund to the Teachers' Retirement Board to fund the one-time administrative costs of the bill.

Vote: majority. Appropriation: ~~no~~—yes. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 22115 of the Education Code is
2 amended to read:
3 22115. (a) “Compensation earnable” means the creditable
4 compensation a person could earn in a school year for creditable
5 service performed on a full-time basis, excluding service for which
6 contributions are credited by the system to the Defined Benefit
7 Supplement Program.
8 (b) The board may determine compensation earnable for
9 persons employed on a part-time basis.
10 (c) When service credit for a school year is less than 1.000,
11 compensation earnable shall be the product obtained when
12 creditable compensation paid in that year is divided by the service
13 credit for that year, except as provided in subdivision (d).
14 (d) When a member earns creditable compensation at multiple
15 pay rates during a school year and service credit at the highest pay
16 rate is at least .900 of a year, compensation earnable shall be
17 determined as if all service credit for that year had been earned at
18 the highest pay rate. This subdivision shall be applicable only for
19 purposes of determining final compensation. When a member
20 earns creditable compensation at multiple pay rates during a
21 school year and service credit at the highest pay rate is less than
22 .900 of a year, compensation earnable shall be determined
23 pursuant to subdivision (c).
24 (e) For purposes of determining compensation earnable for a
25 member employed by a community college prior to July 1, 1996,
26 full-time shall be defined pursuant to Section 22138.5 and
27 pursuant to Section 20521 of Title 5 of the California Code of
28 Regulations, as those provisions read on June 30, 1996, if
29 application of that definition will increase the compensation
30 earnable or otherwise enhance the benefits of the member.
31 (f) The amendments to this section made during the second
32 year of the 1999–2000 Regular Session shall become operative on
33 July 1, 2002, if the revenue limit cost-of-living adjustment
34 computed by the Superintendent of Public Instruction for the
35 2001–02 fiscal year is equal to or greater than 3.5 percent.

1 Otherwise the amendments to this section made during the second
2 year of the 1999–2000 Regular Session shall become operative on
3 July 1, 2003.

4 *SEC. 2. The sum of one hundred forty thousand dollars*
5 *(\$140,000) is hereby appropriated from the Teachers' Retirement*
6 *Fund to the Teachers' Retirement Board to fund the one-time*
7 *administrative costs of this act.*

